



**2015**

**MeF**

**Montana S Corporation Information &  
Composite Tax  
ATS Packet**

October 23, 2015

# Montana MeF ATS Testing Overview

This test packet includes six tests for the Montana CLT-4S return. The following pages will include the test scenario as well as a list of the line items for each return.

The lists include the lines that we expect to be completed. What information is submitted in those line will be left up to the developer, except for where specifically noted. The lines listed are the minimum amount of information we expect to see on the return. If you would like to test additional information please feel free to do so. There are a few instances where we are testing negative values. The lines containing negative values will be indicated by parentheses. In the lists, some line numbers are followed by “E”, “M” or “E/M”. The “E” indicates Everywhere, the “M” indicates Montana and the “E/M” indicates both Everywhere and Montana should be represented.

When submitting test returns to the department please send an email notification to [DORMeF@mt.gov](mailto:DORMeF@mt.gov) containing the following information.

- Compares document with vendor portion completed. This document can be found at **revenue.mt.gov/home/online\_services/Software\_Developers.aspx**
  - Form Name/Type
  - Software company name
  - Software product name
  - Date Submitted
  - ETIN
  - Submission ID numbers for all the test returns

- Electronic PDF copies of the test cases

Please include your ETIN and test return number in the file name

Example: **12345Test2.pdf**

Along with the information listed above please include a description of your software limitations that would change what we would be expecting to see in each test return.

Once the department receives notification and the test cases, a tester will be scheduled to review the returns. It is our intention to review all test returns within three (3) days of receipt. After the returns are reviewed the department will send a compares document identifying items that need to be corrected. When making corrections please resend all the returns in the test packet for review unless instructed otherwise.

## Test 1: Form CLT4S

**Scenario:** Cleaver Meat Processing files a calendar-year initial return from a Texas address. There are 10 shareholders. Activity is apportioned between multiple states. The company has investment, capital activity and income listed as 'other'. They hold patents for meat processing equipment. The business receives a K-1 with ordinary business income which is not subject to apportionment, but there is pass-through withholding. Payments include estimated and extension payments. The return was filed late and they have a valid extension. A portion of an overpayment is going to next year's estimates. They have a recycle credit on form RCYL and credit recapture for Historic Property Preservation, Film Production, Biodiesel Blending, and Oilseed Crushing credits.

**Forms:** CLT-4S; CLT-4S Schedules: I, II, III, IV, VI, and MT-K-1s; Form RCYL, federal forms 1120S, Schedule D

**Attachments:** Other income detailed statement (from line 10); section 59(e)(2) expenditures detailed statement (from line 12d); US government obligations detailed statement (from line 16a); other deductions detailed statement (from line 16c); Montana K-1 from a Partnership

### Taxpayer Information:

Cleaver Meat Processing  
2129 Boxer Ave  
Dallas, TX 75206

FEIN: 00-2100100  
Date registered in Montana: 06/01/2011  
MT Secretary of State ID: D456789  
State formed in: Texas  
Date formed: 01/01/1991  
Federal Business Code/NAIC: 211110

### Shareholders:

See Test 1 Shareholder Info on next page

### Additional Info

Total Montana Source Income: Greater than \$100,000,000.00  
Tax Due / Overpayment: Refund Direct Deposit  
RTN, Acct # : Data determined by developer  
Payment account type: Checking  
IAT: Yes (default to No if software does not support)  
Tax Preparer: Data determined by developer  
May DOR discuss with tax preparer: No  
Do not need Form CLT4S sent next year: Box is not marked

CLT4S	31	Part II, 1
4	32	Part II, 2
5	33	Part II, 3
7	SCH I	Part III, Col A-H
10	1a E	Total
11	1b E	SCH VI
12c	1c E/M	3
12d	1d E	SCH K1
13	1h E/M	include
14	1m E/M	
15a	Total property E/M	
15	Property factor	
16a	3e E	
16c	Total sales E	
16	Sales factor	
17	4	
18	5	
19	SCH II	
20	4	
21	16	
22	17	
24a	18	
24b	19	
24c	SCH III	
25	Col A-G	
26b	8D	
26c	8E	
26f	8F	
(27)	SCH IV	
(29)	Part I	

## Test 1 Shareholder Info:

*Shareholders:* 2 individuals, 2 estates, 2 trusts, 2 foreign C Corp, 2 tax exempt

### *Nonresident shareholders:* 6

Clive Cleaver	SSN 400-00-0031	525 Bowman Rd Hamilton, MT 59840	composite; 15% (I)
Cindy Cleaver	SSN 400-00-0032	525 Bowman Rd Hamilton, MT 59840	tax withheld; 15% (I)
Christie Cleaver	SSN 400-00-0033	2720 Wood Dr. Billings, MT 59102	composite; 25% (E)
Chad Conway	SSN 400-00-0034	2720 Wood Dr. Billings, MT 59102	tax withheld; 5% (E)
Carol Conway	SSN 400-00-0035	2720 Wood Dr. Billings, MT 59102	composite; 5% (T)
Candy Conway	SSN 400-00-0036	5006 23 <sup>rd</sup> Ave Missoula, MT 59802	tax withheld; 5% (T)

### *Other shareholders:* 4

Carl Cleaver, Inc	Fein 40-0000037	006 23 <sup>rd</sup> Ave Missoula, MT 59803	composite, 10% (F)
Cece Cleaver-Craft, Inc	Fein 40-0000038	PO Box 888 Dallas, GA 30132	tax withheld; 5% (F)
Columbus Sausage Inc. ESOP	Fein 00-3000031	1 Texas Drive, Glen Rose, TX 76043	composite; 10% (TE)
City University	Fein 00-3000032	PO Box 786 Idaho City, ID 83631	tax withheld; 5% (TE)

## Test 2: Form CLT4S

**Scenario:** Package Express files a calendar-year S Corporation return from an Oklahoma address. There are four shareholders. Income and expenses are allocated and apportioned between multiple states. The company has ordinary income, some capital activity and rental income. There is pass-through withholding, 75% of which is distributed to the shareholders. The company receives a K-1 from a Partnership. The company files for three credits: the Infrastructure Users Fee Credit on form IUFC, Historic Property Preservation Credit on form 3468, and the Unlocking State Lands Credit. Payments include a carryover of estimated payments from the prior year. They are receiving a refund.

**Forms:** CLT-4S; CLT-4S Schedules: I, II, III, VI, and Montana K-1's; form IUFC, federal forms 1120S, Schedule D, 4562, 8825, 3468

**Attachments:** Other income detailed statement (from line 10); section 59(e) (2) expenditures detailed statement (from line 12d); US government obligations detailed statement (from line 16a); other deductions detailed statement (from line 16c); Montana K-1 from a Partnership

### Taxpayer Information:

Package Express  
6708 East 109<sup>th</sup> Street  
Tulsa, OK 74133

FEIN: 00-2100200  
Date of incorporation: 01/01/1997  
MT Secretary of State ID: D123456  
State formed in: Oklahoma  
Certificate of Authority Date: 01/01/1991  
Federal Business Code/NAIC: 519100

### Shareholders:

See Test 2 Shareholder Info on next page

### Additional Info

Tax Due / Overpayment: Refund Direct Deposit  
RTN, Acct #: Data determined by developer  
Payment account type: Savings  
IAT: No  
Tax Preparer: Data determined by developer  
May DOR discuss with tax preparer: Yes

CLT4S	33	Column F
1	SCH I	SCH VI
2	1a E/M	1
3a	1b E/M	6
3b	1c E	6: Name
3c	1d E	6: FEIN
8	1e E	6: Payment
10	1f E	SCH K1
11	1g E	include
12a	1i E	
12b	1m E/M	
13	Total Property E/M	
14	Property Factor	
15a	2a E/M	
15b	2b E/M	
15	2c E/M	
17	Total Payroll E/M	
18	Payroll Factor	
19	3e E/M	
20	3f E/M	
22	Total Sales E/M	
24a	Sales Factor	
24b	4	
24c	5	
25	SCH II	
26a	8	
26f	9	
(27)	15	
(29)	SCH III	
31	Column D	

## Test 2 Shareholder Info:

**Shareholders:** 2 individuals, 1 C-corp and 1 foreign C-corp

*Resident shareholders: 1*

Blair Baker: SSN 400-00-6832 1710 Harrison Ave, Helena MT 59601 25% (I)

*Nonresident shareholders: 1*

Bart Barker: SSN 400-00-6875 3752 McKinley Ave, Tulsa, OK 74133– tax withheld 12% (I)

Other shareholders: 2

Beppe Babocchi of Oklahoma: Fein 00-3000021 Via Francesco Saverio Nitti, 28 Roma, 00156 tax withheld 33% (F)

Blimp's Productions Inc.	Fein 00-3000020	1001 Main Street, Helena MT 59601	30% (C)
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### Test 3: Form CLT4S

**Scenario:** Work Place Furniture files a calendar-year S Corporation return from a Nevada address. This return is their second amended return and it is also their final return. Their original return was filed late. They had an underpayment on the original return, which they paid. The 1<sup>st</sup> amended had an overpayment. There are eight shareholders. All income and assets remain in Montana: there is no apportionment to another state. The company has ordinary income, some capital activity and receives income from a trust. The company reclaims the sawdust and manufactures an alternative energy pellet product and takes the Alternative Energy Production Credit on form AEPC. They also had credits for emergency lodging credit on form ELC, dependent care assistance on form DCAC and a credit for purchasing recycled material on form RCYL.

**Forms:** CLT-4S; CLT-4S Schedules: II, III, IV, VI, and Montana K-1s; form AEPC; form DCAC; form RCYL; form ELC; federal forms 1120S Schedule D, form 4797; K-1 from a trust

**Attachments:** Other deductions statement (from line 12e); other additions statement (from line 15c)

#### Taxpayer Information:

Work Place Furniture  
125 Roberts St  
Henderson, NV 89012

FEIN:	00-2100300
Date of incorporation:	01/01/2001
MT Secretary of State ID:	D789456
State formed in:	Nevada
Federal Business Code/NAIC:	337122

#### Shareholders:

See Test 3 Shareholder Info on next page

#### Additional Info

Tax Due / Overpayment:	Tax due paid by direct debit
Tax Preparer:	Data determined by developer
May DOR discuss with tax preparer:	Yes

CLT4S	SCH II
1	1
8	4
9	5
11	14
12a	SCH III
12c	Col A-G
12e	8D
13	8E
14	8F
15c	SCH IV
15	Part I
16b	Part II, 1
16	Part II, 2
17	Part II, 3
19	Part III, Col A-H
20	Total
21	SCH VI
26d	2
26e	SCH K1
26f	include
27	
28a	
28c	
28d	
28e	
28f	
29	
30	

### Test 3 Partner Info:

*Shareholders:* 5 individuals, 1 trust, 1 estate, 1 tax exempt entity

*Resident shareholders:* 4

Alice Appleton:	SSN 400-00-6831	1536 Phoenix Ave, Helena MT 59601	15% (I)
Arnold Aries:	SSN 400-00-6842	2106 Grizzly Gulch Dr., Helena MT 59601	12% (I)
Andy Adams:	SSN 400-00-6853 1	02 Oakwood Lane, Helena MT 59601	5% (I)
Ariana Adame:	SSN 400-00-6864	608 Lincoln Road, Helena MT 59602	15% (I)

*Nonresident shareholders:* 3

Estate of Art Arte:	Fein 00-3000010	470 1 <sup>st</sup> St. El Centro, CA 92243	signed a PT-AGR 2001	18% (E)
Agnes Agnew:	SSN 400-00-6875	381 Blue Lake Ave, Rockford, IL 61102	composite tax paid;	2%
Armfield Trust:	Fein 00-3000011	115 Amanda Court, Oregon, WI 53575	composite tax paid;	30% (T)

*Other partners:* 1

Abbey of Gethsemani:	Fein 00-3000012	PO Box 736 Dubuque, Iowa 52001	composite tax paid 3% (TE)
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## Test 4: Form CLT4S

**Scenario:** Goldleaf Holdings files on a fiscal year July 1 to June 30. The company is involved in mining exploration and they have oil and gas royalties as well as income from coal, which is reported on the schedule D. They receive mineral royalty withholding, a portion of which is distributed to the shareholders. There is an overpayment which is applied to estimated tax. The return was filed late and they have a valid extension. They have College Contribution on form CC, Mineral and Coal Exploration Incentive Credit on forms MINE-CERT and MINE-CRED, Biodiesel Blending and Storage Credit on form BBSC, and Health Insurance for Uninsured Montanans credits on form HI.

**Forms:** CLT-4S, CLT-4S Schedules: II, III, VI, and Montana K-1s; Form CC; Form HI; Form MINE-CERT; Form MINE-CRED

**Attachments:** MINE-CERT

### Taxpayer Information:

Goldleaf Holdings  
PO Box 806  
Seeley Lake, MT 59868

FEIN: 00-2100400  
Date of incorporation: 01/07/1995  
State of incorporation: New York  
Federal Business Code/NAICS: 211111  
MT Secretary of State ID: D654321  
Certificate of Authority: 9/21/2004

### Shareholders:

See Test 4 Shareholder Info on next page

### Additional Info

Tax Due / Overpayment: Applied to estimates  
Do not need Form CLT4S sent next year: Box is not marked  
Tax Preparer: Data determined by developer  
May DOR discuss with tax preparer: Yes

CLT4S	SCH III
1	Col A-G
6	SCH VI
7	4
8	SCH K1
11	include
12c	
13	
14	
17	
18	
20	
23a	
23b	
23c	
25	
(27)	
(29)	
31	
32	
	SCH II
2	
3	
10	
12	
13	
13: FEIN	

## Test 4 Shareholder Info:

*Shareholders:* 2 individuals, 1 tax exempt entity

*Resident shareholders:* 1

Darwin Derwood	SSN 400-00-0400	80 Ambush Drive Townsend, MT 59644	40% (I)
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*Nonresident shareholders:* 1

Darren Dobbin	SSN 400-00-0401	c/o Ernst & Young LLP, 700 W Georgia St Vancouver, BC V7Y 1C7 signed a PT-AGR 1 2009 45% (E)
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*Other shareholder:* 1

Darlington Home	Fein 00-3000041	19299 Houle Creek Rd Frenchtown, MT 59834 signed a PT-AGR 2005 35% (TE)
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## Test 5: Form CLT4S

**Scenario:** Treetop Timber is filing a short year return from 1/1 to 8/31 with loss. This is their final return. (This return will test negative submissions.)

**Forms:** CLT-4S; CLT-4S Schedules: I, III, IV, and Montana K-1s; federal forms 1120S, 8825, Schedule D, Form 4797

**Attachments:** other loss detailed statement (from line 10);

### Taxpayer Information:

Treetop Timber  
220 Townsend Square  
Oyster Bay, NY 11771

FEIN: 00-2100500  
Date of incorporation: 01/03/1981  
State of incorporation: New York  
Federal Business Code/NAICS: 083101  
MT Secretary of State ID: D125986  
Certificate of Authority: 05/14/2011

### Shareholders:

2 individuals  
Resident shareholders: 0  
Nonresident shareholders: 2

Ethel Engels SSN 400-00-0501 composite election was made, but no tax was paid;  
243 Harbor Dr. Boston, MA 02111 48%

Elwood Engels SSN 400-00-0502 composite election was made, but no tax was paid;  
243 Harbor Dr. Boston, MA 02111 52%

### Additional Info

Tax Due / Overpayment: No overpayment or underpayment  
Do not need Form CLT4S sent next year: Box is marked  
Tax Preparer: Do not include  
May DOR discuss with tax preparer: No

\*Composite tax calculations should result in \$0 tax amount if calculated correctly.

<b>CLT4S</b>	Part II, 1
(1)	Part II, 2
(2)	Part II 3
(3a)	Part III, Col A-H
(3c)	<b>SCH VI</b>
(7)	5
(8)	<b>SCH K1</b>
(9)	include
(10)	
(11)	
(14)	
(17)	
(18)	
(19)	
(20)	
21	
<b>SCH I</b>	
2a E/M	
Total Payroll E/M	
Payroll Factor	
4	
5	
<b>SCH III</b>	
Col A-G	
<b>SCH IV</b>	
Part I	

## Test 6: Form CLT4S

**Scenario:** Western States Asphalt and Paving is an annual filer with twelve non-resident shareholders. They are a multi-state road and parking paving company with government contracts. In addition to the paving work the company does, they have some investment income and rent out equipment. They also sold use equipment from their inventory. Ownership percentage is listed below. This tax return was filed late. In addition to late penalties and interest, there is a composite tax underpayment interest penalty. They are taking the Alternative Fuel on form AFCR, and Empowerment Zone on form 8844.

**Forms:** CLT-4S; CLT-4S Schedules: I, II, III, IV, and Montana K-1s; Form AFCR; Form 8844; federal Form 8825; Schedule D; Form 4797; Form 4562; Form 1120S

**Attachments:** Other loss detailed statement (from line 10); other deductions detailed statement (from line 12e)

### Taxpayer Information:

Western States Asphalt and Paving  
3221 Indian School Road  
Phoenix, AZ 85013

FEIN: 00-2100600  
Date of incorporation: 08/28/2011  
State of incorporation: Arizona  
Federal Business Code/NAICS: 237310  
MT Secretary of State ID: D555213  
Certificate of Authority: 09/13/2012

### Shareholders:

See Test 6 Shareholder Info on next page

### Additional Info

Tax Due / Overpayment:	Tax due paid by check
Do not need Form CLT4S sent next year:	Box is marked
Tax Preparer:	Data determined by developer
May DOR discuss with tax preparer:	Yes

CLT4S	28f	5
1	29	SCH II
2	30	6
3a	SCH I	6: CGR Box
3c	1d E/M	6: Account
4	1e E/M	7
5	1f E/M	11
7	1g E/M	SCH III
8	1h E	Col A-G
9	1i E/M	8D
10	1m E	8E
11	Total Property E/M	8F
12a	Property Factor	SCH IV
12b	2a E	Part I
12e	2b E	Part II, 1
13	2c E	Part II, 2
14	2d E	Part II, 3
17	Total Payroll E	Part III, Col A-H
18	Payroll Factor	11
19	3a	Total Composite
20	3b, 1	SCH K1
21	3b, 2	include
22	3c, 1	
27	3d	
28a	3f E	
28b	3j E/M	
28c	Total Sales E/M	
28d	Sales Factor	
28e	4	

## Test 6 Partner Info:

*Shareholders:* 12 individuals

*Resident shareholders:* 0

*Nonresident shareholders:* 12

Fred Farkle	SSN 400-00-0601	2850 Wells CT Anthem, AZ 85086	withholding tax paid	25%
Fran Fribble	SSN 400-00-0602	468 N 23 <sup>rd</sup> St. Mesa, AZ 85213	composite tax paid	7%
Fern Frickle	SSN 400-00-0603	508 N 23 <sup>rd</sup> St. Mesa, AZ 85213	composite tax paid	6%
Ferdy Frickle	SSN 400-00-0604	508 N 23 <sup>rd</sup> St. Mesa, AZ 85213	composite tax paid	6%
Fanny Farble	SSN 400-00-0605	422 N 23 <sup>rd</sup> St. Mesa, AZ 85213	composite tax paid	6%
Frank Farble	SSN 400-00-0606	422 N 23 <sup>rd</sup> St. Mesa, AZ 85213	composite tax paid	6%
Fergie Freagle	SSN 400-00-0607	574 N 23 <sup>rd</sup> St. Mesa, AZ 85213	composite tax paid	11%
Fallon Fargle	SSN 400-00-0608	101 E 1 <sup>st</sup> Ave. Mesa, AZ 85210	composite tax paid	7%
Farah Fargle	SSN 400-00-0609	101 E 1 <sup>st</sup> Ave. Mesa, AZ 85210	composite tax paid	7%
Farley Fargle	SSN 400-00-0610	101 E 1 <sup>st</sup> Ave. Mesa, AZ 85210	composite tax paid	6%
Fancy Fargle	SSN 400-00-0611	101 E 1 <sup>st</sup> Ave. Mesa, AZ 85210	composite tax paid	6%
Frisco Frizzle	SSN 400-00-0612	138 W 1 <sup>st</sup> St. Apt 33 Mesa, AZ 85201	composite tax paid	7%